

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

S.P. YATES
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DIRECTOR

AUG 29 2008
OCD-ARTESIA

August 27, 2008

Mr. Mike Bratcher
NMOCD District II
1301 W. Grand Ave.
Artesia, NM 88210

RE: Medano VA State #2
2RP-193
30-015-26382
Section 16, T23S-R31E
Eddy County, New Mexico

Dear Mr. Bratcher,

Enclosed please find a Form C-141, Final Report for the above captioned site regarding the release on July 2, 2008. Vertical/horizontal delineation was conducted on August 13, 2008 and sent to an OCD approved laboratory (enclosed diagram and results). The depth to ground water is greater than 100' (168' per the New Mexico Office of the State Engineer) and the site ranking score is zero (0), RRAL's for BTEX is 50 ppm and TPH is 5000 ppm, the enclosed analytical results are below the Recommended Remediation Action Levels. Yates Petroleum Corporation requests closure.

Thank you.

YATES PETROLEUM CORPORATION

Robert Asher
Environmental Regulatory Agent

Enclosure(s)
/rca

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

AUG 29 2008
OCD-ARTESIA

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Yates Petroleum Corporation	OGRID Number 25575	Contact Robert Asher
Address 104 S. 4 TH Street	Telephone No. 505-748-1471	
Facility Name Medano VA State #2	API Number 30-015-26382	Facility Type Well
		Order Number 2RP-193
Surface Owner State	Mineral Owner State	Lease No. VO-0120

LOCATION OF RELEASE

Unit Letter E	Section 16	Township 23S	Range 31E	Feet from the 1980	North/South Line North	Feet from the 660	East/West Line West	County Eddy
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Latitude 32.30613 Longitude 103.78976

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 150 B/PW	Volume Recovered 80 B/PW
Source of Release Main water line	Date and Hour of Occurrence 7/2/2008, AM	Date and Hour of Discovery 7/2/2008, AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD District II,(Voicemail)	
By Whom? Bob Asher/YPC Environmental Department	Date and Hour 7/2/2008, PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	
If a Watercourse was Impacted, Describe Fully.* N/A		
Describe Cause of Problem and Remedial Action Taken.* Main produce water line south of Medano VA State #2 ruptured. Isolated line, shut down well(s), called vacuum truck and line repaired.		

Describe Area Affected and Cleanup Action Taken.*
An approximate area of 125' X 10'. Vacuum truck picked up remaining produced water, backhoe scraped up contaminated soils, taken to an OCD approved facility. Vertical and horizontal delineation will be made and analysis ran for TPH/BTEX. If initial analytical results for TPH & BTEX are over RRAL's a work plan will be submitted. If initial analytical results for TPH & BTEX are under RRAL's a Final Report, C-141 will be submitted to the OCD requesting closure. **Depth to Ground Water: >100' (approx. 168' per New Mexico Office of the State Engineer), Wellhead Protection Area: No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. Yates Petroleum Corporation requests closure.**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Asher	Approved by District Supervisor:	
Title: Environmental Regulatory Agent	Approval Date:	Expiration Date:
E-mail Address: boba@ypcnm.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: Wednesday, August 27, 2008	Phone: 505-748-1471	

* Attach Additional Sheets If Necessary

Summary Report

Robert Asher
 Yates Petroleum Corp.
 105 South 4th South
 Artesia, NM, 88210

Report Date: August 22, 2008

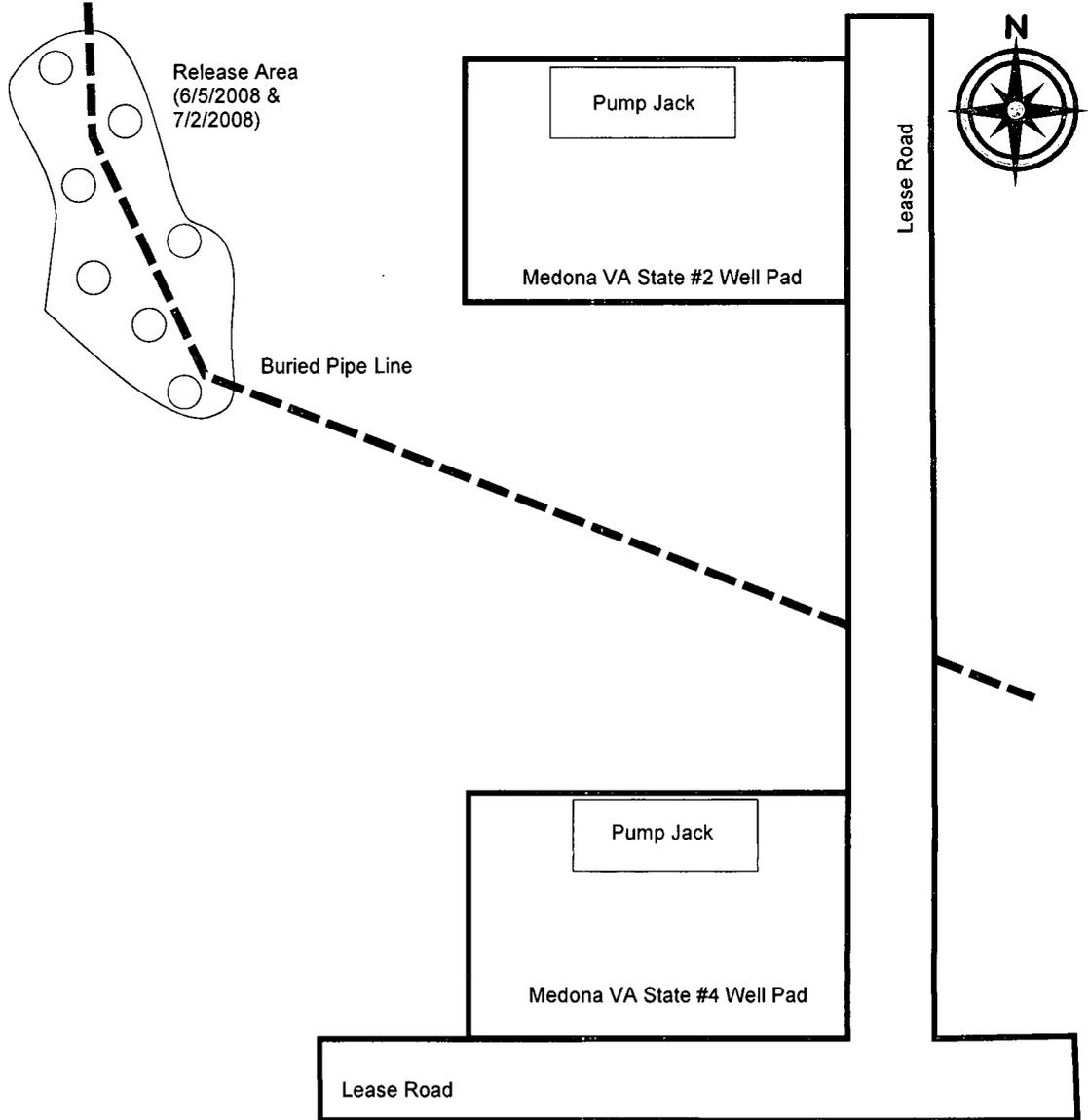
Work Order: 8081526



Project Location: Eddy Co., NM
 Project Name: Medona VA State #2
 Project Number: 30-015-26382

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
170823	GS/Comp.-001	soil	2008-08-13	12:52	2008-08-15
170824	GS/Comp.-002	soil	2008-08-13	13:06	2008-08-15
170825	GS/Comp.-003	soil	2008-08-13	13:20	2008-08-15

Sample - Field Code	BTEX				TPH DRO	TPH GRO
	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Xylene (mg/Kg)	DRO (mg/Kg)	GRO (mg/Kg)
170823 - GS/Comp.-001	<0.0100	<0.0100	<0.0100	<0.0100	<50.0	<1.00
170824 - GS/Comp.-002	<0.0100	<0.0100	<0.0100	<0.0100	456	<1.00
170825 - GS/Comp.-003	0.0253	0.0333	<0.0100	0.0231	78.6	1.05



Sample ID	Sample Date	Sample Type	Depth	BTEX	GRO	DRO	TPH TOTAL
GS/Comp-001	8/13/2008	Grab/Auger	1'	<0.04	<1.0	<50.0	<51.0
GS/Comp-002	8/13/2008	Grab/Auger	2'	<0.04	<1.0	456.0	456.0
GS/Comp-003	8/13/2008	Grab/Auger	3'	0.0817	1.05	78.6	79.7

Site Ranking is Zero (0). Depth to Ground Water >100' (approx. 168'). All results are ppm.



Medona VA State #2
Section 16, T23S-R31E
Eddy County, NM

EXHIBIT
Sample Diagram (Not to Scale)

Prepared by Robert Asher
Environmental Regulatory Agent
August 27, 2008

New Mexico Office of the State Engineer
Point of Diversion Summary



(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
C 03351 POD1	23S	31E	04	4	1	4			

Driller Licence: 421 GLENN'S WATER WELL SERVICE

Driller Name: GLENN, CLARK A.

Source: Shallow

Drill Start Date: 11/20/2007

Drill Finish Date: 11/20/2007

Log File Date: 12/04/2007

PCW Received Date:

Pump Type:

Pipe Discharge Size:

Casing Size: 6.63

Estimated Yield: 25

Depth Well: 320

Depth Water: 168

Water Bearing Stratifications:	Top	Bottom	Description
	240	265	Other/Unknown
Casing Perforations:	Top	Bottom	
	152	304	
